IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

COMPANY APPLICATION No. 533 of 2006
In
COMPANY PETITION No. 212 of 1998
In
COMPANY PETITION No. 212 of 1998

For Approval and Signature:

HONOURABLE MR.JUSTICE M.R. SHAH

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1 Whether Reporters of Local Papers may be allowed to see the judgment ?

2 To be referred to the Reporter or not ?

3 Whether their Lordships wish to see the fair copy of the judgment ?

4 Whether this case involves a substantial question of law as to the interpretation of the constitution of India, 1950 or any order made thereunder ?

5 Whether it is to be circulated to the civil judge ?

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INDUSTRIAL INVESTMENT BANK OF INDIA LTD. - Applicant(s)
Versus
O.L. OF M/S. STAR GUJARAT TEXTILE MILLS LTD. & 2 - Respondent(s)

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Appearance :
SINGHI & CO for Applicant(s) : 1,
OFFICIAL LIQUIDATOR for Respondent(s) : 1,
None for Respondent(s) : 2 - 3.

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CORAM : HONOURABLE MR.JUSTICE M.R. SHAH
Date : 06/10/2006

ORAL JUDGMENT

1.Heard Ms. Poonam Mathur, learned advocate appearing on behalf of the applicant and Shri Sudhir Mehta, learned advocate appearing for Official Liquidator of the company in liquidation.

2.By way of present Judge's Summons, the applicant has prayed for an appropriate order directing the Official Liquidator to get the ratio between the secured creditors and workers calculated and disburse the amount amongst the secured creditors and workers. A further prayer is also made to direct the Official Liquidator to file the Official Liquidator Report for confirmation of sale of land of the company in liquidation. So far as prayer in terms of paragraph – (c) i.e. directing the Official Liquidator to file Official Liquidator Report for confirmation of sale of land of the company in liquidation is concerned, the Official Liquidator has already submitted its report for considering the offers already received for sale of land being Official Liquidator Report No.110 of 2006. Under the circumstances, no further order is required to be passed so far as prayer in terms of paragraph – (c) is concerned. So far as prayer in terms of paragraph – (a) i.e. directing the Official Liquidator to get the ratio between the secured creditors and workers calculated and disburse the amount amongst the secured creditors and workers is concerned, the Official Liquidator is directed to verify the claims of the workers and also verify the claims of the secured creditors and determine/calculate the ratio between the secured creditors and workers and to submit the report before this Court within a period of 3 months from

today. On submission of the report by the Official Liquidator, an appropriate order to disburse the amount amongst the secured creditors and workers will be passed by this Court. If in the meantime, any order is passed by this Court confirming the sale of land of the company in liquidation and if any amount is realized, it will be open for the applicant to move an appropriate application for ad-hoc disbursement of the sale proceeds.

3.With these, the present application is disposed of at this stage.

[M.R.SHAH, J.]

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